

**Office of Retirement Services**

P.O. Box 30171

(800) 381-5111 (Lansing area 322-5103)

Lansing MI 48909-7671

www.michigan.gov/ors

State Employees' Application to Purchase Parental Leave Credit

Complete this form and return it to the Office of Retirement Services (ORS) to determine if you can purchase this time to enhance your state of Michigan service credit. If it is creditable, ORS will send you a billing statement showing the cost. Refer to the back of this form for information on eligibility requirements, application due date, and estimated purchase costs.

Please type or print all information. **Attach photocopy of child(ren)'s birth certificate(s) or final adoption papers.** Copy the completed application for your records.

SECTION I: Applicant Information		
NAME (LAST, FIRST, M.I.)	SOCIAL SECURITY NUMBER*	TELEPHONE ()
ADDRESS	CITY, STATE, ZIP	
PREVIOUS NAMES USED DURING STATE EMPLOYMENT, IF ANY		

Indicate below the approximate beginning and ending dates you separated from or reduced your hours of state of Michigan service for parental leave purposes for which you are applying to purchase credit. If applying for credit covering more than three periods, complete a second application.

FIRST SEPARATION/REDUCTION OF HOURS	
AGENCY YOU SEPARATED/REDUCED HOURS FROM	DATE SEPARATED/HOURS REDUCED
AGENCY WHERE YOU RESUMED EMPLOYMENT	DATE RETURNED/RESTORED HOURS
SECOND SEPARATION/REDUCTION OF HOURS	
AGENCY YOU SEPARATED/REDUCED HOURS FROM	DATE SEPARATED/HOURS REDUCED
AGENCY WHERE YOU RESUMED EMPLOYMENT	DATE RETURNED/RESTORED HOURS
THIRD SEPARATION/REDUCTION OF HOURS	
AGENCY YOU SEPARATED/REDUCED HOURS FROM	DATE SEPARATED/HOURS REDUCED
AGENCY WHERE YOU RESUMED EMPLOYMENT	DATE RETURNED/RESTORED HOURS

I certify that during the periods indicated above I did not work more than 20 hours per week for any non-state of Michigan employer and that the above statements are true to the best of my knowledge and belief.

SIGNATURE

DATE

Return this completed form with birth certificate(s) or adoption papers to

ORS, P.O. Box 30171, Lansing, MI 48909-7671

Keep a copy for your records.

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WHY APPLY FOR SERVICE CREDIT?

Service credit that is purchased adds to your total years of service credit and can increase your pension since it is included in the calculation of your pension amount. This credit may also help you qualify for a pension earlier than otherwise possible.

Complete information about service credit purchases and pension requirements is in the *Enhancing Your Pension* booklet and on the ORS web site at www.michigan.gov/ors. If you have further questions about service credit, please contact ORS at 322-5103 in the Lansing area, or toll-free at (800) 381-5111.

ELIGIBILITY REQUIREMENTS

As a State Employees' Retirement System Defined Benefit member, if you reduced your hours or left state employment for parental leave – maternity, paternity, or child rearing time – under certain conditions you may be eligible to buy up to five years of retirement credit for these time period(s). If you had employment outside of the state while you were on reduced hours or separated from the state, you may purchase credit for the time you worked 20 hours or less per week.

You must be actively employed by the state of Michigan to apply for and purchase service credit. You may buy this service time before you are vested, but it cannot be credited to your account until you complete a minimum of 10 years of service with this retirement system.

COST

Your cost to buy each year of credit is a percentage of your last fiscal year's earnings in a state of Michigan agency. A fiscal year runs from October 1 through September 30. If you had higher earnings in a previous fiscal year, ORS will use that year's earnings to figure the cost. Part-time wages are equated to full-time.

You can purchase all or part of the total service credit available as shown on your *Member Billing Statement*. **However, you must purchase this credit before you retire, while you are actively employed with the state.**

Please refer to the **Actuarial Cost Table** below to calculate your cost. As required by law, the Retirement Board determines these rates based on projections that will fund the additional benefits provided by the purchased credit.

The rate is based on your age as of October 1 of the fiscal year when you make the purchase. The younger you are when you buy credit, the lower the cost because there is a longer investment period before your retirement. Likewise, at an older age, a shorter investment period requires a higher cost to fund those additional benefits.

TIMING OF YOUR APPLICATION

The billing statement you receive is based on your age, percentage rate, and salary during the fiscal year that ends on September 30. As of October 1, these factors increase, raising the cost of your service credit. It is to your advantage to apply early in the year and send your payment before September 30 to keep your cost low. **If you apply and receive a billing statement, you are not required to buy all or part of that credit.**

Actuarial Cost Table

Effective October 1, 1999 **Note: These rates are subject to change.**

Age at Purchase	Percentage Rate	Age at Purchase	Percentage Rate	Age at Purchase	Percentage Rate
Up to 25	7.0%	37	10.1%	49	13.7%
26	7.2%	38	10.4%	50	14.0%
27	7.4%	39	10.7%	51	14.2%
28	7.6%	40	11.0%	52	14.4%
29	7.8%	41	11.3%	53	14.6%
30	8.0%	42	11.6%	54	14.8%
31	8.3%	43	11.9%	55	15.0%
32	8.6%	44	12.2%	56	15.1%
33	8.9%	45	12.5%	57	15.2%
34	9.2%	46	12.8%	58	15.3%
35	9.5%	47	13.1%	59	15.4%
36	9.8%	48	13.4%	60 and older	15.5%